WACUBO

Business Management Institute

Aligning Finance, Human Resources & Operations

Session 2 • Building integrated planning frameworks that connect budget, workforce, and operations

Callie Juarez, Ed.D. · Edith Winterhalter, Ed.D.
California State University, Northridge · California State University Channel Islands

Check-In Point

How to check in:

1. Point your phone’s camera at the QR code, or navigate to https://wacubo.cnf.io
2. Tap the session matching this room
3. Keep your browser window open to check out at the session’s end

https://wacubo.cnf.io

MEET YOUR FACILITATORS

CJ

Callie Juarez, Ed.D.

Senior Director, Academic Resources & Planning

California State University, Northridge

EW

Edith Winterhalter, Ed.D.

Interim CFO/Vice President for Business and Financial Affairs at CSU Channel Islands

California State University Channel Islands

WHAT YOU'LL WALK AWAY WITH

Learning Objectives

01

See the budget through three lenses at once

Explore how staffing costs, service models, enrollment trends, and operational demands intersect to shape long-term financial health.

02

Apply integrated planning tools

Use position budgeting, cost of direct service delivery, and cost allocation plans to connect budget development with workforce and operations.

03

Design governance for ongoing alignment

Identify shared data dashboards and cross-functional communication strategies that break down silos and support institutional priorities.

SESSION ROADMAP

Agenda

1. Why Alignment Matters
2. Tools for Integrated Planning
3. Governance & Shared Data
4. Case Study: Facilities Management (PPM), Revisited
5. Leading Cross-Functional Change

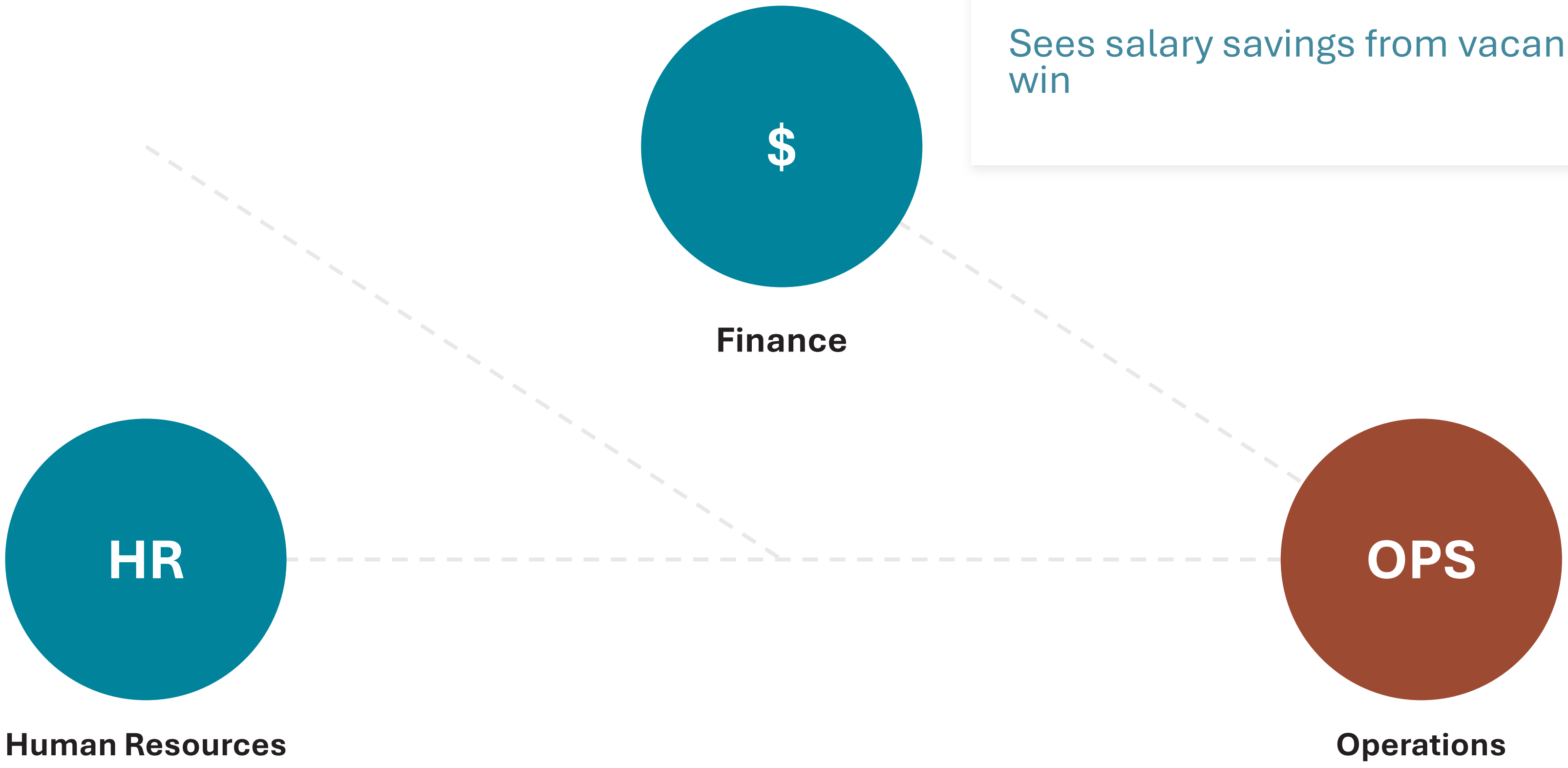
Why Alignment Matters

When finance, HR, and operations plan in isolation, budget decisions stop supporting institutional strategy

THREE OFFICES, ONE BUDGET

The Silo Problem

Finance, HR, and Operations each see a different slice of the same decision — and rarely compare notes.



Sees salary savings from vacancies as a budget win

Manages time-to-fill without visibility into service impact

Absorbs the gap with overtime, invisible until year-end

THE CONSEQUENCES

Where Misalignment Shows Up in Budget Decisions

Inefficient Staffing Models

Positions budgeted years ago no longer match today's service demand or delivery model.

Unclear Accountability

No single owner is responsible for the total cost of a vacancy — salary savings, overtime, and service gaps sit with different offices.

Disconnected Decisions

Budget reductions are set without input on the operational or staffing consequences they create.

Strategy Drift

Resource allocation decisions stop reflecting institutional priorities because no one is looking at the whole picture.

Tools for Integrated Planning

Position budgeting, cost of direct service delivery, and cost allocation plans

TOOL 1

Position Budgeting

Track budgeted vs. filled positions as one connected picture, not three separate reports.

Budgeted

The position and salary Finance has allocated in the base budget.

Filled

The position HR has actively recruited, hired, and onboarded.

Vacant → Covered

The gap Operations fills with overtime or temporary labor — often at a premium.

Guiding Question

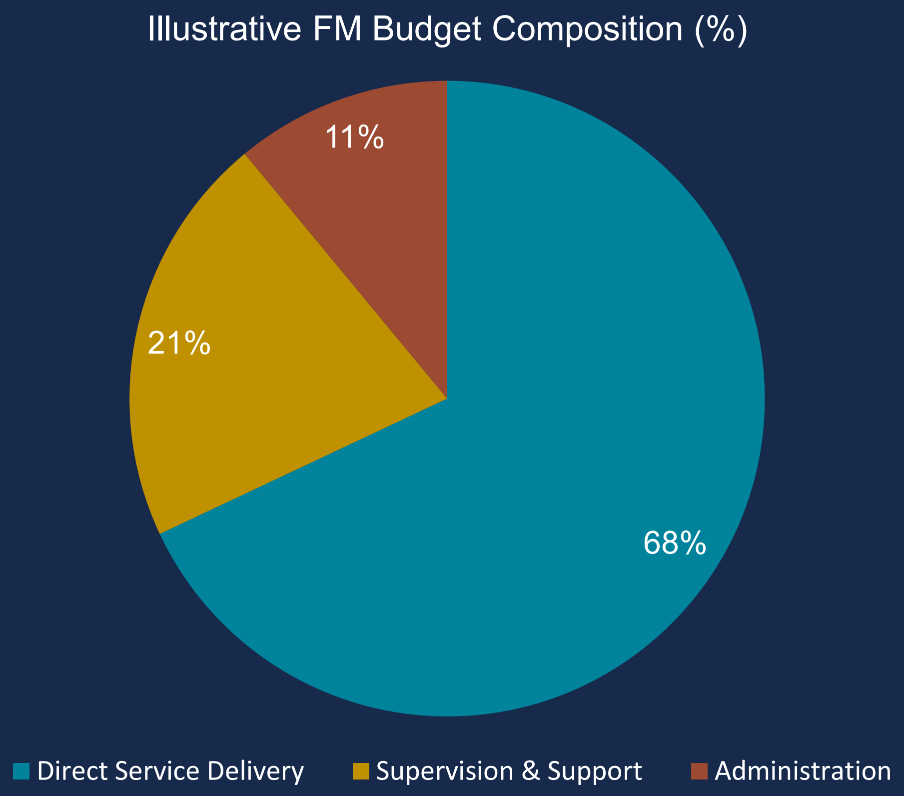
"If we count the salary savings, the overtime, and the temp agency cost together — did this vacancy really save us anything?"

Used for: staffing model reviews, critical-vacancy funding decisions, formula allocation cycles

TOOL 2

Cost of Direct Service Delivery

The operational parallel to "cost of direct instruction" — how much of the budget reaches the mission?



Why This Matters for Alignment

A unit whose budget is heavily consumed by administration or supervision has less room to absorb cost pressure before it hits direct service — the same question academic units ask about instructional cost.

Applies equally to:

- Academic units — cost of direct instruction
- Facilities & operations — cost of direct service delivery
- Administrative units — cost of direct support

TOOL 3

Cost Allocation Plans

Match what a unit charges back to what a service actually costs to deliver.

1

Allocation Basis

Square footage, headcount, or actual service consumption — the method shapes who pays what.

2

Chargeback Rate

What auxiliaries and departments are actually billed for the service they receive.

3

Cost Recovery Gap

The distance between what's billed and what the service truly costs — absorbed by the central unit.

Guiding Question

“When was our allocation methodology last updated — and does it reflect how the service is actually used today?”

Used for: auxiliary chargebacks, indirect cost recovery, service level agreements

One Budget, Three Coordinated Views

Tool	Connects Finance To...	Key Question	Owner(s)
Position Budgeting	Human Resources	Are vacancies really saving money once overtime is counted?	Finance + HR
Cost of Direct Service Delivery	Operations	How much of the budget reaches direct mission delivery?	Finance + Ops
Cost Allocation Plans	Operations + Auxiliaries	Does the chargeback reflect actual service consumption?	Finance + Ops

Facilitator Note:
Each tool only tells the full story when Finance, HR, and Operations read it together — that's the shift from three reports to one shared view.

Governance & Shared Data

The structures that keep finance, HR, and operations reading from the same page all year

STRUCTURES THAT SUSTAIN ALIGNMENT

Cross-Functional Governance

Joint Budget-HR-Ops Committee

A standing group, not a once-a-year meeting, with authority to review position and service trade-offs together.

Critical Vacancy Review

A shared process for deciding when a hard-to-fill position needs funded overtime relief rather than being left open.

Service Level Agreements

Documented expectations between FM and the units it serves, revisited on a fixed cycle rather than left static for years.

Mid-Year Checkpoints

A scheduled trigger point where position, cost, and service data are reviewed together — not just at year-end.

What a Shared Dashboard Looks Like

VACANCY RATE	OVERTIME SPEND (YTD)	AVG. TIME-TO-FILL	COST RECOVERY GAP
15%	$1.09M	9 mo.	$840K
SOURCE: HR	SOURCE: FINANCE	SOURCE: HR	SOURCE: OPS

Why a Shared View Changes the Conversation

- When Finance sees the overtime number next to the vacancy rate, “savings” reads differently.
- When HR sees the cost recovery gap, time-to-fill becomes a shared priority, not just an HR metric.
- When Operations sees position-control data, service requests come with budget context attached.

IV

Case Study: Facilities Management (PPM), Revisited

The same $1.8M deficit case — now seen through finance, HR, and operations at once

Three Views, One Budget

$1.8M → $2.2M

DEFICIT GREW THIS YEAR

The Paradox

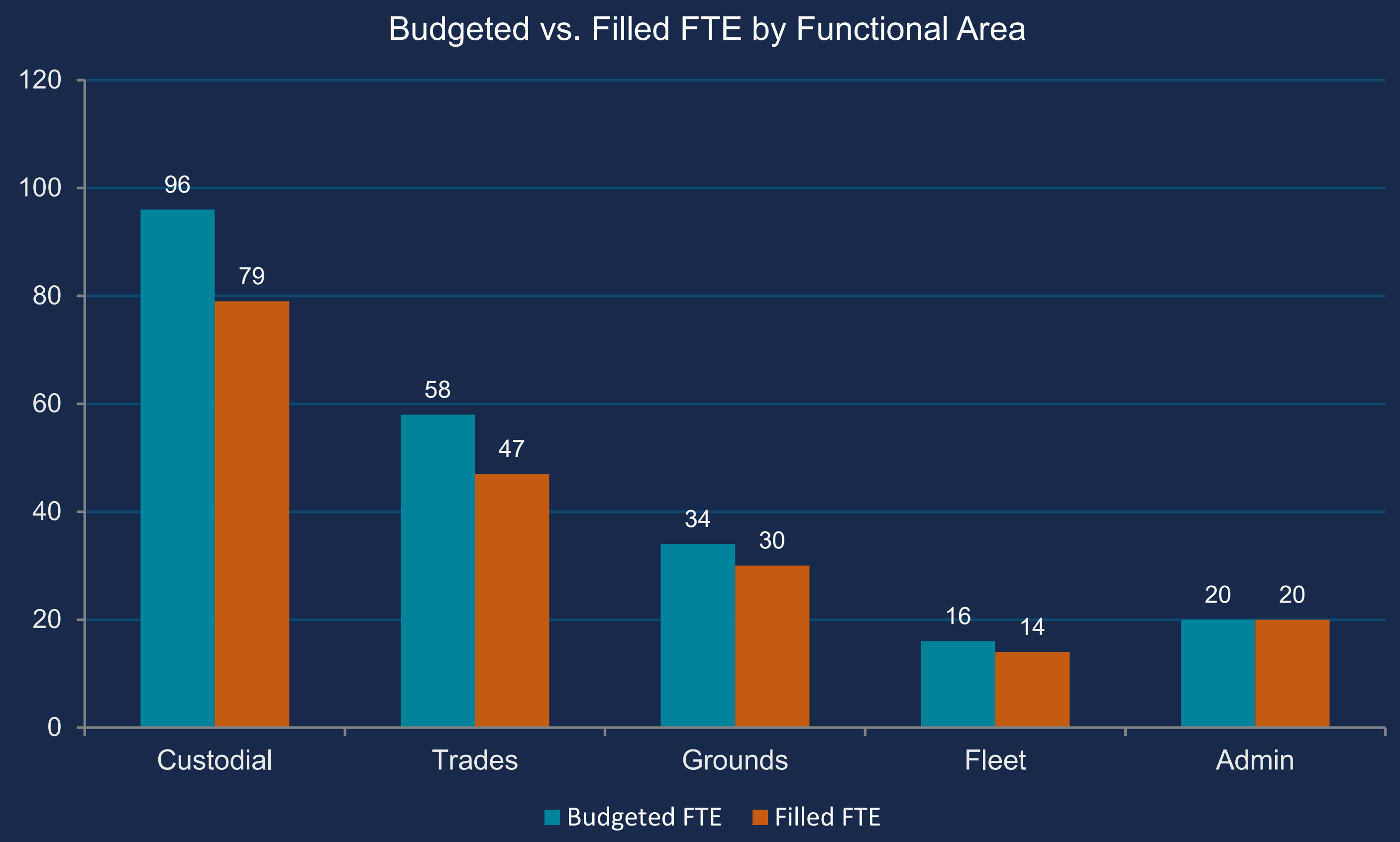
- Finance sees a balanced position budget with recognized salary savings
- HR reports normal, expected vacancy activity in skilled trades and custodial roles
- Operations is quietly absorbing the gap with overtime and temporary staffing
- Each office's data looks fine in isolation — together, they tell a very different story

Also in Play

- Multiple bargaining units, rising labor costs, and high custodial turnover
- An outdated cost allocation methodology creating a growing recovery gap with auxiliaries
- No standing forum where Finance, HR, and FM Operations plan together

CASE DATA · SNAPSHOT 1

Position Budget vs. Actual Deployment



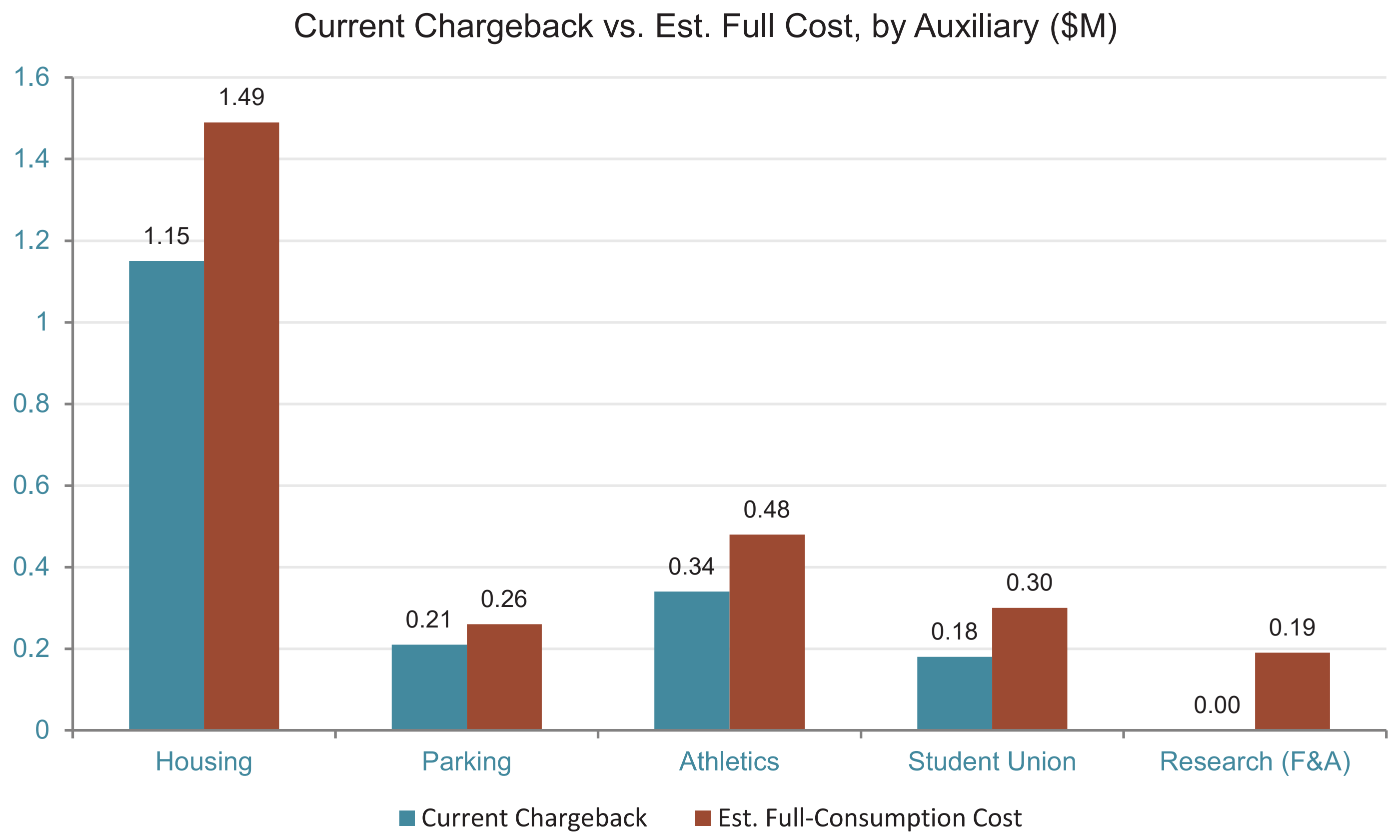
Reading the Gap

34 vacant FTE overall (15%), concentrated in Trades (19% vacant, 14-month average time-to-fill) and Custodial (18% vacant).

$1,085,000

in overtime & temporary staffing spend covering those vacancies this year

Cost Allocation & Recovery Gap



The Recovery Gap

$840,000

total annual gap between what auxiliaries are charged and what FM's service actually costs to deliver.

The allocation methodology (square footage) was last updated 8 years ago and doesn't reflect actual service consumption.

Your Task

Work in small groups (15–20 minutes)

1. **Diagnose the Disconnect**

   Identify 2–3 points where Finance, HR, and Ops decisions are optimized separately. What data — shared with whom — would catch this earlier?

2. **Design an Integrated Solution**

   Propose a coordinated response using at least two of: position budgeting reform, a cost allocation update, and a governance / dashboard mechanism.

3. **Assess Trade-offs & Feasibility**

   For each recommendation: expected financial impact, timeline (short/mid/long-term), and which stakeholders must align.

4. **Key Takeaways**

   Who owns the shared dashboard going forward? How often do Finance, HR, and Ops meet? What triggers a mid-year review?

Report Out & Group Reflection

Present Your Solution

Share how your group would align position budgeting, cost allocation, and governance for FM.

Anticipate Resistance

Where might Finance, HR, or the auxiliaries push back — and how would you address it constructively?

Reflect on the Process

What is one thing your own institution's Finance, HR, and Operations offices could start sharing tomorrow?

Leading Cross-Functional Change

Turning a shared diagnosis into a shared way of working

Cross-Functional Communication Strategies

Start With Shared Language

- Agree on common definitions (e.g., what counts as a “vacancy savings”)
- Translate each office's metrics into terms the others use
- Name the trade-offs explicitly, rather than assuming consensus

Build Standing Rhythm

- Move from an annual meeting to a recurring cross-functional cadence
- Review the shared dashboard together, not in separate reports
- Set a clear trigger for when an issue needs a joint decision

BRINGING IT HOME

Strategic Takeaways

1. A budget can look balanced in Finance, normal in HR, and still be failing in Operations — alignment means reading all three together

2. Position budgeting, cost of direct service delivery, and cost allocation plans only work as a system, not as separate reports

3. Governance is what keeps alignment alive after the meeting ends — build the standing structure, not just the one-time fix

4. Shared dashboards turn three offices' data into one conversation about institutional priorities

Where does your institution see Finance, HR, and Operations telling three different stories?

Share one step you could take to bring those views together.

KEEP LEARNING

Resources & Contact

Resources

College and University Budgeting, Fifth Edition

A Guide for Academics and Other Stakeholders — Larry Goldstein & Brett Matteo

NACUBO

www.nacubo.org — position budgeting, cost allocation, and workforce planning guidance

Session 2 Case Packet

Extended Facilities Management (PPM) case with position & cost allocation data — available on request

Contact Us

Callie Juarez, Ed.D.

Senior Director, Academic Resources & Planning

callie.juarez@csun.edu

California State University, Northridge

Edith Winterhalter, Ed.D.

Interim CFO/Vice President for Business and Financial Affairs

edith.winterhalter@csuciedu

California State University Channel Islands

Looking to Obtain CPEs?

Don’t forget to check out from the system!

https://wacubo.cnf.io

Thank you for joining us.